29 May 1954

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: NIE 63-2-54: Military Security and Political Stability of Laos and Cambodia through 1954.

## BACKGROUND

1. In early May the intelligence community was alerted to a possible MSC requirement for such an estimate. The estimate was actually initiated on 15 May in response to an urgent request from Geneva, but had to be deferred on account of the higher priority of MIE 10-3-54 (Communist Capabilities in Indochina). It was subsequently completed on a crash basis for IAC action on 1 June. Final IAC action on that date is necessary to meet the Geneva requirement.

## SUBSTANCE

- 2. By reason of haste in reproduction, the text submitted contains a number of editorial and typographical errors. A correction sheet has been distributed.
- 3. The text, thus corrected, is fully agreed at the representatives level, except for a JIG reservation on paragraphs 6 and 27, which are substantially identical. This reservation is apparently based on a policy position that if the Delta is lost, all is lost.

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4. Inasmich as there was no time for a "cleamup session", there is no assurance that other issues will not be raised at the IAC.

FOR THE BOARD OF NATIONAL ESTIMATES:

Acting Chairman

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ONE; L.L.Montague: emk
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ED/NE

AD/NE Mr. Montague

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